GOVERNMENT OF ANDHRA PRADESH

A B S T R A C T

Energy, I&I Dept. - Development of International Convention Centre at APIIC Ground, Harbour Park Land, Visakhapatnam in Andhra Pradesh – Orders – Issued.

ENERGY, INFRASTRUCTURE AND INVESTMENT (AIRPORTS) DEPARTMENT

G.O.Rt. No.116 Dated:25.07.2017.

Read the following :-

1) G.O.Rt.No.31, E, I & I Dept., dated 20.2.2017.
2) From the Vice Chairman and Managing Director, INCAP, Hyderabad Lr. No.INCAP/AP/Convention centre/VSPM/04/2017 dt. 7.6.2017.

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O R D E R

In the reference 1st read above, Government has decided to boost the tourism sector in the State of A.P., and accordingly Visakhapatnam, which is the largest city in the State, has been selected for development of a Mega Convention Centre in the city due to its importance in all aspects. In the said G.O. Government constituted the Negotiation Committee with the District Collector, Visakhapatnam as Chairman and other members concerned to negotiate with the private entity for swapping/exchange of their land. It was also ordered that the APIIC would proceed with the development of land through private players. Infrastructure Corporation of A.P. (INCAP) will act as Transaction Advisor on behalf of APIIC for project development, structuring and selection of private partner through transparent bidding process with the assistance of In house retainer consultants.

2. The development of International Convention Centre at Visakhapatnam City with exhibition halls, meeting halls, parking places, star hotel, retail mall etc., is on Public Private Partnership (PPP) mode in a site of around Ac.9.12 cents on Harbour Park Road/R.K. Beach Road in Visakhapatnam City.

3. The key features of the Site which is earmarked for the development of the project are as follows:

S. No.	Item	Details
1	Area of the land (Acres)	9.12
2	Survey No.	1011/1A1 & A2 of Waltair Ward
3	Location	APIIC Ground, Harbour Park, Waltair Ward
4	District	Visakhapatnam
5	Land basic market value (As indicated by the District Collector, Visakhapatnam)	INR 45,000/- per square yard

4. In the reference 2nd read above, the Vice-chairman and Managing Director, INCAP has informed that proposals have been called for from reputed firms for selection of Developer for the development of International Convention Centre at APIIC ground, Harbour Park Land, Visakhapatnam on PPP mode. The scope of the Project includes Development, Design, Financing, Construction, Marketing, Operation & Maintenance of the Project Assets at the Project Site for a Lease Period of 33 years. If the Developer has complied with all the terms and conditions of the Lease cum Development Agreement and the Lease Deed, the Developer shall be eligible for an automatic extension for another 33 years. The terms and conditions for such an extension will be determined by the Government policies prevailing at that point of time.

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5. The Vice chairman and Managing Director, INCAP has informed that Post evaluation of the sole bid for Responsiveness, Technical Eligibility and Financial Eligibility and also on the recommendations of the Technical Committee, the sole bidder M/s. Lulu International Shopping Mall Pvt. Ltd. was termed as the "Qualified Bidder". The Qualified Bidder offered and agreed to pay INR 4,51,00,000/- (Rupees Four Crore Fifty One Lakh Only) as the Annual Land Lease Rent commencing from the date of possession of land which is more than the Upset Price of INR 3,97,26,720/- as stated in the Bid Document with a 5% annual increase.

6. The Vice chairman and Managing Director, INCAP after completion of bidding process etc., has requested the Government to accord necessary permission/ratification orders.

7. Government after careful examination of the proposal of the Vice Chairman and Managing Director, INCAP hereby accord the following:

1) Ratify the Bid Process for the Project undertaken by the Vice Chairman and Managing Director, INCAP pursuant to the A.P. Land Lease Policy for Tourism Projects, 2016 notified vide G.O. Ms. No.5, YAT&C (T) Department, dated 03.06.2016.

2) Ratify and approve the Bid Documents including deviations, Corrigendum; Bid Process and Bid Evaluation.

3) The LoI shall be issued by the A.P. Infrastructure Industrial Corporation to the Selected sole Bidder M/s. Lulu International Shopping Mall Private Ltd., and subsequent timelines shall be met as per the bid documents.

4) INCAP shall receive a Project Development Fee Rs. 1.9 Crore from the Developer before signing of the Concession Agreement, instead of payment of Transaction Advisory Fee @ 0.75% of the Project Cost which comes to Rs. 5.67 crores.

8. The Vice Chairman and Managing Director, INCAP, Hyderabad and Vice Chairman and Managing Director, APIIC shall take further necessary action in the matter.

9. This order issues with the concurrence of Finance Department vide their U.O.No.29024/13/2017-Finance (PPPs & CRDA), Dt. 27.06.2017.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

AJAY JAIN
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Vice Chairman and Managing Director, INCAP, Hyderabad.
Vice Chairman and Managing Director, APIIC, Vijayawada.
The District Collector, Visakhapatnam

Copy to:
P.S., to Prl. Secretary to C.M.
P.S. to Prl. Secretary, E, I & I Dept.
P.S., to Secretary, YAT&C Dept.
P.S., to Secretary, Industries and Commerce Dept.
Finance Dept.
Law Department.
G.A. (Cabinet) Depart.
Sc/Sf.

//Forwarded :: By Order//

SECTION OFFICER